

December 9, 1988

TO: Holland Shepherd, Permit Lead  
FROM: Scott Johnson, Reclamation Engineer *Scott*  
RE: Reclamation Bond, Cane Creek Potash Mine, Moab Salt,  
Incorporated, M/019/005, Grand County, Utah

Texasgulf submitted a reclamation bond estimate of \$13,470,000 in the Mining and Reclamation Plan received September 1, 1987. This estimate was determined using the 1986 Means Handbook and does not include the demolition of the majority of surface buildings, pads and roads. Texasgulf proposed a recreational use of these facilities, including a hotel, restaurant, museum, bowling alley, etc.

If the Division accepts this post-mining use, the escalated bond amount required, including a ten percent contingency, is \$17,617,000 in 1994 dollars.

If, on the other hand, we require complete reclamation of all surface facilities, the escalated bond amount required, including a ten percent contingency, is \$23,402,000 in 1994 dollars.

Attached is a copy of the reclamation estimate reflecting these costs.

jb  
Attachment  
cc: Wayne Hedberg  
MN17/23



# Reclamation Estimate for the CANE CREEK POTASH MINE

MOAB SALT INCORPORATED M/019/005

Prepared By  
Utah State Division of Oil, Gas and Mining  
December 8, 1988

Description	Texasgulf Estimation (a)	Division Increase (b)	Revised Estimation
Equipment Removal	1,814,000	465,000	2,279,000
Structure Demolition (c)	327,000	3,590,000	3,917,000
Earthmoving	3,416,000	321,000	3,737,000
Reclamation	7,913,000	47,000	7,960,000
	=====	=====	=====
Subtotal (1986 dollars)	13,470,000	4,423,000	17,893,000
Add 10% Contingency	1,347,000	442,000	1,789,000
	=====	=====	=====
Total (1986 dollars)	14,817,000	4,865,000	19,682,000
Total (1989 dollars) (d)	15,724,000	5,163,000	20,887,000
	=====	=====	=====
Total (1994 dollars) (e)	\$17,617,000	\$5,785,000	\$23,402,000

- Notes:
- (a) Estimate submitted by Texasgulf in 1987, using 1986 dollars. This figure assumes the majority of the buildings and roads have a recreational post-mining use, and are left in place.
  - (b) Estimate added by Division in 1988 using 1986 dollars. This figure includes the removal and reclamation of all buildings, pads and roads.
  - (c) 75% of this increase, as calculated by the Division, is based on the reported amount of concrete demolition required.
  - (d) Based on 2.0% inflation.
  - (e) Based on 2.3% inflation.